



Growth Through Agriculture (GTA) Grant/Loan Application

Executive Summary/Business Plan

Please use an extra sheet of paper if necessary.

Department Use Only: Contract #

Please type or print required information.

PROJECT TITLE				
PROJECT TITLE THAT SUMMARIZES THE WORK TO BE DONE (150 character maximum) Expansion of Northern Pea and Lentil Company's production and marketing capabilities				
1. APPLICANT INFORMATION				
Name of Organization or Individual Northern Pea and Lentil Company				
Mailing Address PO 1234		City Havre	State MT	Zip 59501
Physical Address 567 Hwy 2		City	State	Zip
Telephone 406-555-8910	Fax 406-555-8911	E-mail info@northernpeaandlentilcompany.com	Website www.northernpeaandlentilcompany.com	
Name of Primary Contact Person (if different than Applicant information) John Doe				
Mailing Address		City	State	Zip
Physical Address		City	State	Zip
Telephone	Fax	E-mail jdoe@northernpeaandlentilcompany.com	Website	
2. PROJECT CATEGORIES				
Please mark all categories this project addresses: <input type="checkbox"/> Agri-Tourism <input type="checkbox"/> Bio-Fuels <input type="checkbox"/> Crop Research <input type="checkbox"/> Dairy <input type="checkbox"/> Education <input checked="" type="checkbox"/> Food Processing <input type="checkbox"/> Equipment Research & Development <input type="checkbox"/> Fruit/Vegetables <input type="checkbox"/> High Value Crops <input type="checkbox"/> Incubators <input type="checkbox"/> Irrigation <input type="checkbox"/> Land Conservation Issues <input type="checkbox"/> Livestock Feeding <input type="checkbox"/> Meat Processing <input type="checkbox"/> Milling <input type="checkbox"/> Miscellaneous <input type="checkbox"/> Oil Seeds/Oil Seed Products <input checked="" type="checkbox"/> Promotional <input type="checkbox"/> Wool/Fiber				
Please identify the Montana-grown or raised commodities that will be utilized by your business and provide an accurate estimate of the quantities of these commodities that will be utilized annually, along with projected utilization for each of the next five years. Our company processes several pulse crops grown in Montana in our facility. Currently, we process over 3,000 bushels of peas and lentils annually. We expect this project to increase our company's demand for Montana grown peas and lentils over the next five years as follows: Year 1: 4,000 bu Year 2: 4,000 bu Year 3: 4,500 bu Year 4: 4,500 bu Year 5: 4,500 bu				
3. PROPOSED BUDGET TOTAL				
GTA Funds Requested \$50,000		Applicant Match Funds Contributions \$150,000		
4. PREVIOUS FUNDING/CONSIDERATIONS				
Has this business or principals previously received or otherwise benefitted from Growth Through Agriculture funding? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No				

☒ Either a grant or loan at a rate of 5.75% is acceptable.

☐ This application is for a grant only. A loan will not be accepted by the applicant.

5. DISCLOSURE AND CONFIDENTIALTY

"I understand that any information provided to Department of Agriculture in this application or other correspondence becomes public information. I waive any right to confidentiality and affirm that the information provided in this application is true and accurate to the best of my knowledge."

Applicant Signature	Date January 16, 2009
Print Name John Doe	

6. CURRENT BUSINESS DESCRIPTION

Date of Business Formation March 13, 2003	Type of Business Structure Corporation	Gross Sales over Past Fiscal Year Approximately \$1 million	# of Employees 10
If incorporated, where? Montana			

7. ANTICIPATED FINANCIAL RESULTS OF THIS PROJECT

Gross Sales Approximately \$1.5 million	Capital Investments \$175,000	Operating Expenses \$800,000
Total number of jobs created or retained, (specifying whether the jobs are "created" or "retained") and the payroll amount associated with these jobs: 5 jobs created at approximately \$30,000 per job		

8. PROJECT DESCRIPTION

Identify the need or opportunity that exists:

Lucrative foreign markets for peas and lentils have been growing between 5 and 7 percent annually over the past five years. It appears that this growth trend will continue into the foreseeable future. Foreign producers of pea and lentils that historically served these markets have been hurt in recent years by drought. Montana has the ability to increase its production of high quality peas and lentils. Our company has been in contact with foreign buyers and has signed letters of intent. Therefore, our company is set to enter these markets and create new long term markets for Montana legumes. However, in order to tap into these markets, our products must be processed in a much different way.

Describe how the project will address the need or opportunity:

This project will increase our company's production capabilities by adding a specialized splitting line to our facility. The new line will be comprised of specialized conveyors, splitting machinery and packaging equipment. All production from the new line will be dedicated to foreign markets. In order to support our increased production, we will introduce a new marketing campaign which will promote our branded product in specific foreign markets. These markets include India, Pakistan and Turkey.

Describe the degree of originality, innovation or uniqueness that the project will use to address the need or opportunity: After the new production line is established, our company will have the only pea and lentil processing facility of its kind in the Western Hemisphere.

9. STATEMENT OF OBJECTIVES

Please describe the major objectives, activities necessary to attain objectives, expected deliverables, and timelines for each activity.

	OBJECTIVE	ACTIVITY	START/FINISH DATE
1.	Set up new processing line	a. Purchase new equipment	March 2009
		b. Deliver new equipment	March 2009
		c. Install new equipment	March 2009
2.	Increase production for new markets	a. Hire and train new employees to begin specialized processing	March 2009 / April 2009
		b.	
		c.	
3.	Develop new marketing campaign	a. Hire marketing consultant and develop foreign marketing strategy	February 2009 / March 2009
		b. Develop and produce new promotional materials	March 2009
		c.	
4.	Market branded product overseas	a. Initiate contracts with previously identified buyers that have signed letters of intent	February 2009
		b. Attend tradeshow to develop new contacts	May 2009 / September 2009
		c.	
5.		a.	

		b.	
		c.	

10. PROJECT IMPACTS

Explain the project's expected economic impacts on :

Agricultural Industries	This project will benefit pulse growers in Montana by providing them an additional market for their production. Other growers that have not grown pulses in the past may use this opportunity to diversify their crop rotation and reduce pest pressure and fertilizer usage in following years. Because our new process will enable us to achieve higher margins, we expect to be able to pay a premium for quality, Montana-grown pulse crops.
The State of Montana	This expansion will require our company to hire 5 new employees which will increase income tax revenues to the State of Montana.

Describe how you will measure the impacts (economic, sociological, etc.) of the project.

Please note: These standards will be used to evaluate the project's success; also, **quarterly reports must report on these standards (no exceptions!)**

The success of this project will be first measured by our ability to complete the objectives outlined in Section 9 of this application. We will also measure the success of this project by the number of new jobs created and the increased utilization of Montana-grown peas and lentils, which are outlined in Sections 7 and 2 respectively.

11. KEY PERSONNEL

Demonstrate the experience, ability and qualifications of each key team member needed to carry out the project's work outlined in the proposal:

	Name	Experience/Ability/Qualifications
1.	Jane Doe	a. Owner of Northern Pea and Lentil Company
		b. 20 years experience in grain merchandising and milling
		c. BS in Agriculture Science from Montana State University, 1978
2.	John Doe	a. Sales Manager, Northern Pea and Lentil Company
		b. 20 years pulse sales and plant operations experience
		c.
3.	Don Joesph	a. Potential marketing consultant
		b. Owner/operator of DJ Marketing Solutions for 15 years
		c. 30 years international marketing experience, working mainly in the Middle East
4.		a.
		b.
		c.
5.		a.
		b.
		c.

12. DETAILED BUDGET DESCRIPTION

Using the objectives in Section 9, please provide details on the cost of each activity (e.g. the rate of professional fees and the time required.) Provide details of GTA funds requested, Applicant contributions (cash and in-kind) and Other contributions sources, e.g. from other government funding, and whether funds have been approved or pending. For in-kind contributions, provide details (e.g. how many hours and what rate?)

Objective	Activity	Cost per Activity	Description
1.	a. Purchase new equipment	\$ 95,000	This is the total cost for the specialized splitting equipment needed for the new processing line. The equipment manufacturer provided this quote on December 15, 2008. GTA - \$20,000 NPL - \$75,000
	b. Deliver new equipment	\$ 2,000	NPL will pay for all delivery costs which are estimated to be \$2,000. The manufacturer has provided this estimate.

	c. Install new equipment	\$ 3,000	NPL will pay for all installation costs which are estimated to be \$3,000. A local contractor provided this estimate.
2.	a. Hire and train new employees to begin specialized processing	\$ 5,000	\$5,000 is the projected cost to train new employees to operate the specialized splitting equipment. This cost will be paid in full by the Federal Government's Worker Training Program.
	b.	\$	
	c.	\$	
3.	a. Hire marketing consultant and develop foreign marketing strategy	\$ 60,000	Mr. Don Joesph of DJ Marketing Solutions charges \$150 per hour and estimates that the development of our marketing strategy will take approximately 400 hours to complete. GTA - \$20,000 NPL - \$40,000
	b. Develop and produce new promotional materials	\$ 15,000	Mr. Don Joesph of DJ Marketing Solutions estimates that the development of new promotional materials aimed specifically at Middle Eastern markets will be charged at \$50 per hour and will take approximately 100 hours to complete. GTA - \$5,000 Mr. Don Joseph of DJ Marketing Solutions estimates that the cost of promotional material production will be approximately \$10,000. This will involve the update of our website, printing costs for new brochures, and business cards. NPL - \$10,000
	c.	\$	
4.	a. Initiate contracts with previously identified buyers that have signed letters of intent	\$ 10,000	The total cost of this activity (\$10,000) will be paid for by NPL. This activity is comprised of salaries and travel. We estimate that it will take 200 hours of John Doe's time in excess of normal operations to complete this task. He is paid \$25 per hour (\$5,000). Mr. Doe will be required to travel to the Middle East to execute these contracts. Currently, flights cost approximately \$5,000.
	b. Attend tradeshow to develop new contacts	\$ 10,000	To complete this activity, NPL will attend two tradeshow in the United States that have large numbers of foreign buyers in attendance. The first show will be the International Foods Show in New York, July 3-6, 2009. The second tradeshow will be the National Specialty Foods Expo in Los Angeles, August 15-19, 2009. Registration and booth costs for each show are estimated to be \$3,000. Travel and drayage to each show is estimated to be \$2,000. Therefore total costs for both shows will be \$10,000. NPL expects these estimates to be low and will pay for any costs above and beyond the estimates

			GTA - \$5,000 NPL - \$5,000
	c.	\$	
5.	a.	\$	
	b.	\$	
	c.	\$	

13. CONTRIBUTION SOURCES

Using the objectives in Section 9, please list all sources of project funding for each objective.

Objective	Total Cost	GTA Requested Contribution	Applicant Contribution	Other Contribution
1.	\$ 100,000	\$ 20,000	\$ 80,000	\$
2.	\$ 5,000	\$	\$	\$ 5,000
3.	\$ 75,000	\$ 25,000	\$ 50,000	\$
4.	\$ 20,000	\$ 5,000	\$ 15,000	\$
5.	\$	\$	\$	\$
Total	\$	\$	\$	\$

*The Montana Department of Agriculture does not discriminate against any person on the basis of race, color, religion, creed, sex, national origin, age, disability, marital status or political belief.

**Grant monies may be considered taxable income by the Internal Revenue Service.